

Application No. 09/695,539
Atty.Dkt.: ZL730/01001
Inventor: Stefanovic
Title: System and Apparatus for Hosting
Combined Online and Live Auctions

REMARKS:

35 USC §103 Rejections

The Examiner rejected Claims 1-27 of the present patent application on the basis that they are obvious in view of United States Patent Nos. 6,006,201 to Berent et al., 6,415,270 to Rackson et al. and in view of 6,226,412 to Schwab. Applicant's Attorney respectfully traverses the Examiner under this ground of rejection.

None of the references relied upon by the Examiner allow, as is presently claimed, the integration of a live auction with an online system wherein a plurality of live auction bids are submitted concurrently with a plurality of online bids and differentiated by the system of the present invention. Further, none of the prior art references allows for the coordination of a live auction, with accompanying live media output, used for the benefit of a plurality of online bidders, such that the online bidders can provide bids based upon said live media output, all while the system integrates and coordinates the information and bids from the live bidders. All systems relied upon by the Examiner are online bidding systems which allow batch bidding for auction lots stored on a database. It is felt that the claims, as pending, as well as newly submitted claim 28, clearly define over the cited references.

Berent is directed to a complete online system for an electronic online motor vehicle auction and information system. More specifically, Berent discloses an electronic motor vehicle auction and information system that allows a remote user to access and search a

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vehicle database and display data about the motor vehicle auction dates and locations, vehicle inventory and used vehicle sales history. This remote user can then interactively participate in the online auction.

Rackson is directed to a method and system for multiple auction co-ordination. More specifically, Rackson discloses a sort of hierarchal bidding system with one top-level multi-action service server connected to various different remote auction servers. Online users then connect to one of these remote auction services. This system is used to co-ordinate bids on one parent server among a bunch of different child servers.

Schwab discloses a secure digital interactive system for unique product identification and sales. Specifically, this patent discloses a system and method for storing, retrieving and displaying testing data, compressed image files describing unique products and services of individuals. The method and system disclosed are related to how the information is transferred from a server computer to a client computer.

The objective of the present invention is to provide a conjoined bidding system, where both live bidders, at a physical location, as well online bidders, at a remote location, can bid on the same auction.

The applicant submits that Claim 1, with the new amendments, should now not be obvious in view of Berent and Rackson. Claim 1 now states that the apparatus comprises a number of elements, including "a site terminal at said physical location and operatively

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connected to said web site system, which site terminal can send the details of live bids from the live bidders to said web site system". The Examiner has stated that Berent discloses this element as claimed before the amendment, was taught in Column 11, Lines 25 to 67 and Column 12, Lines 1 to 13, and in Figure 11. The Applicant respectfully submits that this claimed element is now not disclosed in those sections. Column 11, lines 25 to 67 and column 12, lines 1-13, teach a dealer of automobiles who is accessing the system through a remote location. While these lines do teach a dealer placing "live bids" or bets in real time this section does not teach the "live bids" being placed at the physical location where the auction is being conducted, as specified in the newly amended Claim 1. The summary of Berent makes it clear that all users accessing the contemplated auction system are doing so from remote locations.

The electronic motor vehicle auction and auction information system of this invention provides interactive on-line services to remote users who may enter queries about vehicle stock availability, and who may "bid" for vehicles electronically against other users. Column 4, lines 23-28.

Furthermore, it is disclosed in Berent, that "[e]ach user stores the software necessary to run the various user applications ... on their local PC workstations 2." Column 4, lines 35-37. In Col 11, lines 25-67 and Col 12, lines 1-13, it is clear that the "dealer" that is referred to in this section making the "live bids" is a "remote user", because these sections make reference to dealer using the same local PC workstation 2 used by the users with "to the dealer's PC workstation 2" Col 12, line 7. The dealer's "live bids" are

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taught by Berent to clearly be originating from a location remote from the physical location of the auction. Berent does not teach the "dealer" being at the physical location of the auction site, but rather teaches the use of a remote user, interacting with the auction from a remote pc.

The Applicant would also like to draw the attention of the Examiner to Column 13, Lines 10 to 20, of the Rackson patent that the Examiner uses to reject Claim 1 of the present patent. This section teaches the use of "remote auction services" and does not refer to bids from the physical location of the auction.

It is submitted by the applicant that the newly amended Claim 1 now clearly specifies a difference between online bidders and live bidders and further specifies how each accesses the overall system. Neither Berent nor Rackson teach a system that is able to record live bids from live bidders present at the auction site, but rather both references only teach the use of one type of user for the system and in both of these references is it taught that the user is at a location remote from the physical auction site. Therefore, it is the Applicant's submission that the newly amended Claim 1 is no longer obvious in regards to Berent et al with further light of Rackson.

The Examiner has also rejected Claim 18 on the grounds that it is obvious in view of Berent and in further in view of Rackson. It is submitted by the Applicant that the newly amended Claim 18 should now not be obvious in view of Berent and Rackson.

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Specifically, the Examiner has stated that providing a "site terminal at the auction location operatively connected to said web site system" is taught by Berent at Column 11, Lines 25 to 67, and Column 12, Lines 1 to 13, as well as Figure 11. With the new amendments, Claim 18 specifies that the method is for "conducting an auction at an auction location" and therefore that "the auction location" is the physical site of the auction. Furthermore, the Examiner also states that allowing live bidders to place live bids at the auction location, "said live bids being transmitted from said site terminal to said web site system", is taught by Berent in Column 10, Lines 8 to 26. The Applicant respectfully submits, as outlined above, that this section does not teach allowing live bidders to place live bids at the auction location in conjunction with online or remote bidders. Rather, these sections refer only to one type of user, a remote user. The Applicant would draw the Examiner's attention to Column 4, Lines 34 to 56, and Figure 1. In this section, the user is taught to be operating on the client PC workstation which is Element 2 in Figure 1. Clearly the user is in a remote location operating as an online bidder to the overall system. The Applicant, therefore, respectfully submits that this section does not disclose the steps of the methods claimed in the newly amended Claim 18, but rather teaches away from the present claim by being solely related to remote users.

The Examiner has also rejected the step of "recording online bids and live bids received by the web site system in a database", claiming it is taught in Column 10, Lines 1 to 67, of Berent. The Applicant submits that while this section may teach the recording of online bids, it is not directed to more than one type of user of the system and therefore

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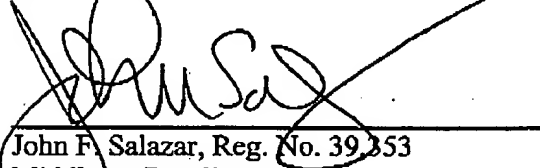
fails to teach the recording of both online bids and live bids. Claim 18 clearly delineates the difference between online bids and live bids, by specifying that the system "[accepts] online bidders to transmit online bids from bidder computers" and "allowing live bidders to place live bids at the auction location". Claim 18 clearly delineates two types of users each making a specific type of bid, and therefore, Berent does not teach the step claimed, the recording of both online bids and live bids in one system, since there is no mention of anything but online bids in the section.

For the above stated reasons, the Applicant submits that none of the newly amended claims in the present patent application are obvious in view of Berent and Rackson and in further view of Schwab. The Applicant submits that both the newly amended independent claims, being Claims 1 and 18, specify a system of dual bidders comprising both live bidders and online bidders. None of the three references cited teach the use of more than one type of user, let alone live bidders at the physical auction, nor do any of these three references contemplate the use of combining live bidders and online or remote bidders in one system. For these reasons, the Applicant submits that Claims 1 to 28 of the present application should be allowable.

No new matter has been added to the claims by virtue of the provision of these amendments. The amendments have been provided simply for the purpose of clarifying the issues raised by the Examiner in his action.

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